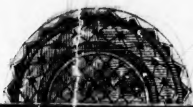


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Emmasham

1897



Shall We Place an Export
Duty on Saw Logs
and Pulpwood ?



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The EDITH and LORNE PIERCE
COLLECTION of CANADIANA



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Shall Preventive Measures be Adopted to ~~Prevent~~ ^{Against} the Undue Depletion of Canadian Forests?

DESERONTO, May 31st, 1897.

DEAR SIR,—The pine lumber trade of Canada, to a man, recognize the unfairness of any import duty being imposed by the Washington government upon Canadian sawed forest products entering the United States.

1st Because Canadians have accorded Americans equal rights and privileges with themselves in the ownership and working of Crown timber licenses, and these Americans are aware of the great loss to Canada from manufacturing Ontario logs, etc., in the United States instead of Canada.

2nd. Because American labor, appliances and supplies are largely used in the Canadian woods and in transit, and the cost of taking out, delivering and sawing at Michigan mills, according to Mr. Carroll D. Wright's recent report to the U. S. Senate, is some \$1.62 per M. ft. less than the average cost to Canadian mill men.

The stumpage in Canada averages quite as high as in the United States.

The mills of East Michigan, through their proximity to populous centres and extensive salt blocks, find markets for small cuttings of lumber and mill waste, that give them from 40 to 60 cents per M. ft. of lumber more than is obtained by the average of Canadian mills.

The cost of transportation from the mills to the white pine markets of the United States is also in favor of the mills of East Michigan, as compared to those of the Georgian Bay district.

In Western Ontario alone there are many Americans who have acquired quite 4,300 square miles of Georgian Bay and North Shore timber limits, and yet notwithstanding they are well aware of the facts stated, fully nine-tenths of them are advocates of a heavy duty on Canadian sawed lumber entering the markets of the United States. This duty, if imposed to the extent of \$2.00 as proposed, added to the other advantages named, would then aggregate quite \$4.00 per M. ft. B. M. in favor of Canadian pine sawed in Michigan.

The American holders of Canadian timber limits are aware that the sawmills of East Michigan must close down if deprived of logs from Canada, and that the whole stock of standing white pine trees in the United States even at the rate of the last season's cutting, according to recognized authorities, will last only from five to seven years.

The American holders of standing white pine and other lumbermen in the United States, as plainly expressed by those of their number who gave testimony before the Ways and Means Committee, ad-

vocated a \$2.00 duty because it would, in their judgement, largely exclude sawed lumber from Canada.

Sawed lumber is admitted into Canada free of duty, and a portion of what is manufactured in Michigan from Canadian pine is shipped into Western Ontario and sold in competition with the output of Canadian mills. Sawed lumber, a raw material, under normal conditions should be free in both countries.

Canadians have loyally borne the brunt of heavy expenditures in the construction of railways and canals, in the improvements of highways and streams, that the great natural products of Canada may be made available to capital and labor for their conversion by manufacture into products ready for consumption. This being practically accomplished, Canadians are confronted with the fact that white pine, one of our greatest staples, is very nearly exhausted in the United States and probably three-fourths of Canada's pine has been cut.

Unlike wool, wheat or barley—that great staple, pine, which has never yet been practically reproduced, is being taken out of the country by the back door, as it were, to supply logs to the practically idle mills of East Michigan, and Canadian workmen excluded from any share in the work once the logs enter American territory.

The loss to Canadian interests thereby is indeed very great, far greater than is generally understood, but when with this loss, is coupled the inconsiderate proposal to largely exclude by a prohibitory tariff the lumber that may be sawed out in Canadian mills, and draw the logs and timber to the United States for manufacture, the loss would become irreparable.

If the proposed duty be now imposed by the Washington government without a corresponding export duty being placed, by our government, on logs and pulpwood, there will be but little likelihood of its ever being removed. On the other hand, if the proposed duty by the Americans can now be averted, no organized attempt to again impose it will ever be successfully made: for

Prof. Fernows' Forestry Report, Mr. Carroll D. Wright's statement of relative cost of white pine lumber in the two countries, the needs of the salt manufacturers of East Michigan and of the treeless states, the increasing requirements of the paper and pulp mills of the United States, the many industries requiring white pine and the growing advocacy of a free trade, afford abundant assurance of its continuing untaxed, if we can now restrain the present proposed application.

The issue is an important one affecting:

1. Canadian manufacturers of lumber.
2. Provincial revenues.
3. Workingmen, capitalists, farmers and transportation lines.
4. General industrial development of Canada,

Canadian lumbermen may be divided into two classes:

1. The manufacturer of square and broad timber and of sawed lumber, who erects mills calculated in the shortest time to cut out the choicest and best without provision for utilizing the coarse or waste

therefrom.

2. The manufacturer who, to prolong his timber supply, establishes industries dealing with coarse timber and sawmill waste, providing for close and fine manipulation of forest products, a method of working which prolongs the supply, with a much greater yield of timber per acre, increased employment of labor, and with minimum risk from forest fires.

The square and board timber manufacturers take out the choicest of the trees with much waste of sides, top and butt. Their investment in plant and outfit is comparatively small; their output is marketed in Great Britain and is only affected by an American duty on Canadian lumber in proportion to the influence that duty exerts upon the timber or lumber output for the British markets.

Will not the proposed \$2.00 duty if imposed stimulate such output, and very soon over-supply that market?

On timber limits worked chiefly for the British markets, whether taking the form of timber or sawed lumber, there are necessarily left on the ground many parts of trees felled and a large number of coarse trees standing, which in a little time are generally destroyed by fire. Such operators for the British markets, or for the American markets when protected by a \$2.00 duty, who have made no provision for utilizing the waste and coarse products, have no recourse but to carry on their operations in this wasteful manner, subjecting the Crown lands to increased danger from fires or ~~compelling them~~ to close down.

On the other hand, timber limits worked by lumbermen who believe it practicable to profitably utilize the poorer grades of timber along with the good, have established industries calculated to convert rough, coarse and waste forest products into commodities ready for the consumer, affording employment to more skilled labor, a finer class of machinery, etc.

It is pretty generally acknowledged that agriculture can only continue profitable by manufacturing the raw products of the soil into food and other forms ready for consumption. Our forests require the same manipulation by manufacturers to secure the best results. Every regard must be paid to economical methods of working to guard against forest fires, to conserve and preserve the timber supply and warrant the investments in industrial works necessary to such a policy.

To this end such lumbermen have labored, devoting time, capital and energies without stint, and the object is worthy the effort.

Bear in mind that such lumbermen are largely working in coarse waste timber, the choice pine being in limited quantities.

It would indeed be a serious matter if the utilization of coarse and waste timber be disregarded and the manufacture thereof be lost to Canada. It would help to keep us producers of a raw material which Americans insufficiently possess, and thus contribute to their industrial development instead of our own. It is hardly necessary to legislate for the strong and well of mankind, or for the comparatively limited quantities of choice pine, other than to restrain against waste: protective

legislation is needed for the poor and the weak of humanity as it is for the common and the coarse trees of the forest of which we yet have much and which even at this late date can, by prudent measures, be made to contribute greatly to every industrial and progressive interest.

The construction of our great highways—water and rail—to which all classes have contributed; our splendid seats of learning to fit our young men for the important positions we would have them occupy in our country; in fact, everything we, as a people, have sought to accomplish, have been predicated upon the development of the grand heritage we possess, and to which end industrial enterprises based on our forests would greatly contribute.

You may say that the natural law of supply and demand will sooner or later prevail and neutralize the effect of the proposed \$2.00 duty; true! but hardly before many mills would be crippled or closed, workmen discharged, operations ceased, and the remaining timber lands of that section pass into the hands of the Americans to supply Michigan mills, while Western Ontario becomes a treeless province, and industries that are, and should be based on forest products, be forever lost.

Is it good policy to let the proposed \$2.00 blow fall on Canadian manufacturers and workmen to the injury of every interest, and the American tenants of Canadian forests, who some think have not aided for free lumber as they could, be permitted to take away the timber without an effort to influence them to accord Canadian forest products in their markets as favorable treatment as they in Canada enjoy?

Is Canada not at least entitled to some evidence of their cooperation against what some American lumbermen before the Ways and Means Committee declared to be their object, namely, the shutting out of Canadian lumber from their markets—a course which many in Canada believe should be conditional upon retaining Canadian logs for Canadian industries, no doubt realizing that there is not to-day standing in Ontario any more timber than will be needed to encourage, inaugurate and maintain the industrial interests of our own people.

There are but few who do not approve of a larger exchange with the United States, but if it can not be obtained without bankrupting Canadian manufacturers, throwing Canadian workmen out of employment, wasting our forests and impairing the provincial revenues, and closing the door as it were to practical employment of the graduates of our seats of learning and to skilled labor, it will indeed be dearly bought.

An export duty—whether it adds to the cost of Canadian logs to the Americans, or becomes prohibitory—would probably for a time lessen the stumpage revenues of the province, but the growth of timber would no doubt quite repay the province for this temporary loss, and if it resulted in the re-transfer of mills from East Michigan to Canada, it would benefit the wage-earners, farmers, railways, merchants and capitalists—it would lead to the establishment of other industries that are founded upon forest supply—it would conduce to the utilization of

coarse, and at present, unmerchantable timber and mill waste and thus enlarge and prolong employment, use of capital and Crown revenues and ensure beneficial climatic effects.

The government may feel that the lumbermen should be a unit regarding the application of an export duty.

Lumbermen of the Georgian Bay district have by resolutions unanimously declared an export duty should be applied to the extent of the American duty.

Ottawa lumbermen have pronounced strongly against the \$2.00 duty and retaliatory clause proposed in the Dingley Bill, and the lumber trade are of one mind as to its unfairness and the justice of an export duty to neutralize the discrimination threatened, but I respectfully question the wisdom of pressing the lumbermen for any further expression, for the business depression of the past two years would naturally lead many of them to decide, against their sense of fairness and ultimate profit, in favor of cutting from their forests only such timber as the markets under such unfortunate conditions would profitably receive.

This, as before explained, would mean a woeful waste and sacrifice of timber, capital, future industrial development and provincial income.

Thus Canadian lumbermen who utilize all forest products, the coarsely published industries to through whose system of operations a reponderating, and perpetuation of our timber supply, are much hope for the perpetuation of our timber supply, are much threatened than others in the trade, but not more so than the interests.

The government may consistently question any objections to an export duty, which may be made by banks having Michigan clients, or by Canadian lumbermen who, without regard to the common or coarse timber, cut out the finest and best, or who are profited by log exportations.

All licentiates are tenants of the Crown, that they may obtain the cream of the timber, they should not be privileged to cut indiscriminately over virgin forests, destroying materially the value of the remaining lower grades which greatly predominate, and thereby invite destruction by fire of what, under reasonable manufacturing facilities, is worth far more to the country than has been returned for the best taken. The government, not the lumbermen, are the trustees of the public domains.

Some large operators who oppose an export duty would, I believe, advocate it, were reasonable but rigid regulations applied to protect the public domain; such a policy would advantage every interest by leading to prolonged operations and impart a stable value to timber upon which industrial enterprises would be established.

Manufacturing plants founded on the forests, sister industries to wood-working establishments, which our timber districts are capable of sustaining to a very large extent, with the home markets thereby created, would be worth infinitely more to banks, railways, farmers,

merchants, mechanics and workmen, than would be the bank accounts of all the American lessees of Canadian timber limits, and the short-lived operations of lumbermen cutting only that part of the forests that can be profitably marketed by making into square or board timber or sawing into deal and boards without the accompanying manufacturing plant for utilizing the coarse and waste products which must be taken out and used or utterly wasted.

Accompanying such waste are the increased dangers from fire which lumbermen know has in the past destroyed more timber than has been cut, and more serious still, has destroyed the young trees.

No system of operations could be more destructive of our present and future timber supply than those of the character outlined.

All I can say of pine applies to spruce, in fact even more so. There are monied interests in the spruce paper mills of the United States that far exceed those connected with mills manufacturing pine. Their proprietors should be valuable allies, for they, to a growing extent, are dependent on Canadian forests but we find they are passive. They own in Canada Crown licenses covering vast tracts of spruce timber. They have abundant forethought to know that even under an export duty they can profitably manufacture pulpwood in Canada. They know that spruce pulp is in growing demand and that they can retain and sooner or later control the trade of the ~~United States~~ ^{North} Canadian territory by Canadian mills and with Canadian workmen.

The spruce of Quebec and the Eastern Provinces yields excellent lumber. From the tops and butts of the logs, as well as from the refuse of the mills, large quantities of pulp can be profitably made. Great Britain is entering our market for wood pulp, the supply from Sweden and Norway being on the wane. Our statesmen should carefully consider the situation and provide for that industrial development and prosperity which the conversion of our raw materials by manufactures can alone accomplish.

Lumbering interests, while standing second only to those of agriculture, are yet superior to them in the climatic influence our forests exert and which very largely govern the results of soil culture.

The Canadian lumber market, excellent under normal conditions, with a \$2.00 American import duty on sawed forests products, would soon become glutted and unprofitable.

At the same time the American manufacturer, unless our Government equalizes the proposed discrimination by the application of an export duty on logs, will go on and profitably cut his Canadian limits, and owners of Canadian mills of that district would be immensely profited by removing to Michigan.

The value of the waste in sawing is, to the Michigan mills, worth nearly what it costs to tow the logs to them from the North Shore.

An export log duty should, in all fairness, not only be at the same rate per thousand feet as the Americans impose on Canadian sawed products, but at an additional rate to cover the lath, shingles, etc., that are obtained in sawing each thousand feet of lumber from that part of

the log not computed in the measurement for lumber, and this extra export duty should be at an equivalent rate to what the Americans impose on corresponding goods from Canada entering their markets. Even with such an export rate the Canadian manufacturers would be handicapped, at least, \$1.62 per thousand as per Mr. Carroll D. Wright's report before referred to.

Should the exportation of logs to the United States thereby be stopped, which I doubt, it would deprive the mills of East Michigan of some 200 to 300 million feet of lumber per year, for there is no place other than Ontario from which to draw their supply, and the lessening of that supply by that quantity would to that extent lessen competition and inure to the advantage of the Canadian output.

It would be far better that the American mills should stand closed, their workmen remain idle and the traffic of their railways be lessened, than that corresponding interests of Canada should so suffer because of their unfair discrimination.

If our government impose an export duty upon logs and pulpwood, and it should certainly not exempt pulpwood, and if the retaliatory clause of the Dingley Bill be applied, the United States market would for a time be practically closed to the bulk of Canadian lumber; but Canadian made pulp would be in rapidly growing demand because the far distant pulp timber of the Pacific or Southern States would not be available, and while some Canadian logs would continue to go across to Michigan for manufacture, even under a \$2.00 export duty, the value of Canadian timber becoming even more apparent would soon influence to a more profitable manipulation in Canada by manufactures than ever before.

Canada's relations to the United States are and have been eminently reasonable and fair, and we are not properly chargeable with unneighborly acts.

We cannot coerce them—we could easily irritate and antagonize them, and the majority of their people certainly bear no ill-will to Canada, but great prudence is needed in even the initiatory steps to an export duty.

I believe that an early and firm declaration by our government regarding an export duty, couched in moderate terms, and in the light of forestry truths being brought out at Washington, will turn a number of senators to free lumber.

It will bring to our aid and make valuable allies of the owners of sawmills and salt-blocks of Eastern Michigan and the American licensees of Canadian timber limits: the champions of advanced forestry principles would deprecate the encouragement to the more rapid depletion of their forests which the prohibition of Canadian lumber would cause.

The paper and pulp mills of the northern frontier, of which, in New York state alone there are, I am informed, 125 in operation, manufacturing 1,400 tons of paper per day and employing 15,000 workmen;

The prominent men securing interests in Canadian spruce lands;

The great newspapers that use so largely paper made from pulp;
The users of pine lumber in New York, New England and the treeless states of both east and west;

The transportation interests that derive income from Canadian lumber carriage, making quite 100,000 carloads yearly;

The advocates of a freer exchange and those who recognize sawed forest products and pulp as raw material:

All these interests and more would co-operate in the effort for free lumber and pulp

In view of existing circumstances it is therefore urged that an announcement be made to parliament by the Prime Minister that the government possess the power, by order-in-council, to apply an export duty on logs, pulpwood and other forest products going out of Canada, and that it be done without debate.

It is suggested that this announcement be coupled with the statement that the government could not consistently apply an export duty on logs taken out the past winter and now in process of delivery to the United States, but that on next winter's output with so ample a notice no injustice would thereby be done.

This would have the effect of leading many people in the United States to favorably compare their proposed inconsiderate legislation with the conciliatory moderation of the Canadian Government.

It would prevent the application of their retaliatory clause at least until 1898, the earliest time our export duty would come into effect, and would, I believe, in the meantime, with the present Senate at Washington, lead to lumber and pulp being made and continued free of duty.

The freedom of Canals from Lake Erie to Montreal is a step which appears to me our government may now take. It would indicate the desire of Canadians for the continued free exchange of forest and other natural products of the two countries.

It would benefit the great grain producing states of the west whose products pass through the river and lake ports of New York and the New England States, and the railways and canals of these Eastern States would in consequence enjoy greatly increased traffic. These states would thereby become valuable allies of Canada in every effort for honorable and equitable exchange.

The advantage to Canada of the traffic that would be drawn from American channels to that route would, of itself, be very profitable.

New York is expending many millions in the rapid enlargement of the Erie Canal which, once completed, will add to the difficulty of drawing traffic to the St. Lawrence route.

If New York can afford the expenditure and give free canals, Canada can ill afford to do otherwise. It would add immensely to the number of lake and river boats, elevators and transfers that would be profitably engaged. It would cheapen ocean tonnage on the great staples of Canada by the greater number of ocean ships to and from Canadian ports.

It would, in the eastern provinces, enlarge the output of coal for use of the additional steamers, etc., engaged in the traffic of the route. it would not only work no injury but confer a benefit upon our railways.

It would settle the vexed transit in bond question and afford great help to the friendly settlement of every issue.

It would make us many friends in the United States, and help to put us in position, as a people, to enjoy the improvement in business that is generally believed will be realized once the tariff question at Washington is disposed of.

The serious consequences threatening the lumber business under the proposed Dingley Bill, and my desire that the Industrial interests of Canada may be encouraged and developed along safe and progressive lines, is my reason for urging the adoption of measures calculated to make unnecessary any application of an export duty. Prevention is better than cure

* * * * *

Since writing the above, I have read Mr. Charlton's speech in Parliament in reference to an export duty on logs and pulp wood, and observe that he admits the injury to Canada from the manufacture of Canadian logs and pulp wood in the United States, and that he is only deterred from favoring the immediate imposition of such a duty because it might provoke retaliatory action by the Government of the United States.

On the contrary, I have believed that were our own Government to proceed on the lines which I have suggested, it would lessen, if not quite eliminate, the proposed duty from the Dingley Bill, would tend to their substitution of a conciliatory for a retaliatory policy, or influence to the early attainment by subsequent negotiations of free lumber for free logs. In the meantime, or until 1898, the earliest period that our log export duty under such a considerate course could by Order-in-Council come into effect, such Canadian sawed lumber as would be sent to the American market would be subject to the rate of duty that the Washington Government may impose, and that without the retaliatory addition.

I believe the application of an export duty between the two countries should be the last resort, and that such preventive measures as those proposed, would soon lead to the removal of any necessity therefor—I mean the necessity as viewed by probably a majority of our people, but there are many who, with excellent reason, go further, and believe we have no more pine or spruce standing in Canada than is required for those forest industries and others that go hand in hand therewith, and the products of which for export are in growing demand.

His comparison of the value of exports of logs from Canada to the United States, with that of the imports of logs therefrom is, to my mind, reasonable proof that in both white pine and spruce the United States are looking more and more to Canada for their supply.

Mr. Charlton places the value of the exports of logs from Canada to the United States, from 1890 to 1896, at \$10,259,000, and the imports of logs during the same period at \$6,361,000, making a total excess of log exports in that period from Canada of \$3,698,000; but in point of fact, his import figures include values of logs which are only nominally imported, and deducting these it will be found that the imports of logs for Canadian consumption, taking his figures as correct, was but \$2,248,000, making the actual excess of log exports for that period about \$7,800,000.

I reduce Mr. Charlton's log imports by those to New Brunswick that are taken out in Northern Maine—floated by the St. John River to Fredericton and St. John, where they are sawed and the lumber shipped back to the United States or to Great Britain. The owners of the timber tracts in Northern Maine have had no other outlet, and I understand railways are now contemplated, or under construction, from Bangor and other centres, which will soon transfer the manufacture to points within their own borders. The United States authorities treat these logs and their products as home production.

To add the imports and exports previous to 1890 lessens the difference—for I have no doubt the records will pretty clearly show that the white pine and spruce pulp manufacturers of the Northern United States commenced to look to Canada for their raw material, only some seven or eight years ago, which but confirms the belief that they will continue to want our timber in growing quantities. They have quickly prohibited other raw products of Canada the moment they could do without them, and they would as readily do so with saw-logs and spruce were they not necessary to them. It is quite within their province to do so, and it is equally our right to stipulate, that if they shut out the sawed lumber and pulp of Canada, both raw materials to them, that they invite an export duty on logs and pulpwood equivalent to the extent of their import duty on the same products, the reasonableness of which none can deny.

The discrimination against Canadian sawed lumber and pulp by the contemplated import duties under the Dingley Bill, appears unwarranted and unfair from every standpoint.

Canadian lumbermen pretty well know the value of their forests, for the highest prices paid at the sale of timber limits referred to by Mr. Charlton were by Canadian operators, to whom is due every honorable effort to remove the discrimination under the Dingley Bill which threatens their investments by forcing them to manufacture in the States or cut their limits less closely than, without the threatened discrimination, would be done. Ontario gained in revenue from the timber sale referred to, but lost indirectly in the diminution of industrial establishments, which would have been of more permanent benefit. These desirable results a stable forest policy of the character outlined would quickly bring about.

I am quite convinced the proposed \$2.00 duty on Canadian lumber without a corresponding export duty on logs means the closing of the

most complete milling establishments of the Georgian Bay district, and the throwing of the timber lands of Ontario at every sale into the hands of Michigan manufacturers.

In this connection I may state that I am empowered by the Georgian Bay Lumber Company to state that, if the duty is imposed, they will be compelled to remove their mills to Michigan, as otherwise they will not be able to compete with American manufacturers.

In reference to the small annual increase in the value of Canadian lumber sent to the United States, this is largely attributed to the transportation of logs to the Michigan mills, and the depressed condition of the American markets during the last four years. It will be remembered also that our exports of sawed lumber to England have steadily increased.

Had these logs been left standing the lumbermen of Canada would have realized larger values for the lumber which they exported, for the logs towed across the lakes have assisted to lower prices in Michigan.

As to an export duty on pulpwood, which is advocated by many, it is evident that the great pulp mills of the Eastern States are yearly becoming more dependent on the supply of wood from Canada. The cost of transportation would of itself prevent these great mills from procuring their supplies from the Southern States and Oregon. Then it must be remembered that already owners of paper mills in Great Britain, finding that the supply from Norway and Sweden is being lessened, are anticipating this fact by arranging to secure their pulp from Canada. The manufacture of wood pulp in Canada should be encouraged as by so doing it will become one of the greatest industries in the country. Were it understood that an export duty would be placed on pulpwood, the pulp manufacturers of the Northern States would most certainly exert a great influence against the wood clauses of the Dingley Bill.

The sale of pulpwood by farmers has no doubt been more or less beneficial, as Mr. Charlton states, but they would be vastly more benefitted by the industrial settlements and home markets which every pulp and saw mill creates. The effort to be put forth to-day is not to encourage the sending of the raw material out of the country in log or wood form, but to restrain and conserve our greatly reduced supply in the manner outlined. Without this policy it is quite practicable to deplete our forests so rapidly that the present favorable opportunity to inaugurate the method should be improved or the need thereof will have forever passed.

Facts are not wanting to prove that such a course would greatly augment Canadian industries.

If the Provincial Governments fear the shrinkage of Crown dues for timber cut by so protecting the forest industries of Canada will they not be amply justified in making a bond issue to make good any diminution that may exist?

Not a dollar of the people's money need be taken. All would be quickly forthcoming from Britain for so profitable a purpose and the

yearly growth of the timber would fully pay the interest, to say nothing about the increasing value of the timber.

As I have already endeavored to point out, I cannot agree with Mr. Charlton's statement that the export of logs from the north shore of Lake Huron and the Georgian Bay has been beneficial. Mills have been closed down, and capital lost by such a course. The tug boats, chains and workmen employed in the transportation of the logs, from Canada are all American. The logs have been manufactured into lumber at \$1.62 per M. less than in Canada.

I am not aware of one single industry left to mark the track along which so much fine timber has been conveyed to the United States.

The correct system would be, to offer no Crown lands for sale until there is either in Canada or for export a profitable market for the coarse and waste woods which sooner or later will be required by our own people.

The British markets are open to vast quantities of wood goods. Canadians will not be slow to undertake the manufacture and supply, and there are plenty of energetic Americans who will promptly join in the work should our people undertake to preserve our forests for industries on Canadian soil.

It is not profitable to Canada—in fact, it is unfair to those who come after us, to permit, much less to encourage, the taking out of the better grades of timber, except in accordance with correct forestry principles, until there is evidence of a sufficient demand for the common and waste to utilize it as the better is taken out.

While I differ very greatly from Mr. Charlton's estimate of the quantity of Ontario's standing pine, I would, indeed, be pleased to find him correct, and it might be advisable to consider the appointment of a commission to bring out the facts as to the quantity, the character of our exports and imports of logs and timber, as well as of sawed and manufactured lumber. Statistics of this character bearing upon a subject which is of more than national interest would be invaluable for determining the future policy of the Government concerning many industries which are calculated to add to the wealth and importance of Canada.

I am quite well aware that the Crown lands are under the control of the provinces, and I appreciate all efforts they are making to protect against forest fires, waste, etc., but the application of more advanced forestry principles can now, during this period of depression in the trade, be best inaugurated by the Dominion government in the present issue. In fact without this co-operation of the Dominion government the efforts of the provinces to give effect to measures having to do with the development of industries founded on soil, forest or stream becomes most difficult.

I quite recognize the benefits that the lumber business of Canada has contributed to the country's progress, and I also foresee the difficulties of applying rigid rules favoring the conversion of our forest products by manufacture into commodities to obtain maximum results,

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but I am quite convinced that it is very greatly in the interests of Canada to promptly adopt the policy and enter upon its application without delay. If provincial income from stumpage should thereby shrink, we may be assured that every thousand feet of lumber taken out and so manufactured in Canada means the employment of more skilled labor, the erection of more durable and diversified lumber and wood-working establishments which, while employing more capital will greatly preserve and extend operations based on our forests, that will otherwise within the present generation be practically exhausted.

The export of logs from Canada to the United States:

In 1890 amounted to.....	\$ 681,265
" 1891 " "	722,845
" 1892 " "	1,112,687
" 1893 " "	1,508,116
" 1894 " "	2,749,370
" 1895 " "	2,227,819
" 1896 " "	1,717,770

The falling off in 1895 and 1896 was abnormal and, as all will recognize, caused by the severe trade depression existing in the United States; but the moment it is removed, the demand from the mills of Michigan, Ohio, and New York for Canadian logs will without an export duty very quickly exhaust what standing timber in Canada remains tributary to the Georgian Bay and North Shore waters.

The exports of pulpwood from Canada to the United States:

In 1890 amounted to.....	\$ 57,197
In 1896 " "	600,285

Exports of wood pulp from Canada:

In 1890 amounted to.....	\$147,098
In 1896 " "	557,085

Do not these figures (and they comprise four years of severe commercial depression in the United States) clearly demonstrate that enterprising men from Canada, Britain and the United States will be forthcoming to provide ways and means to manufacture our pulp timber in our own country to an extent quite commensurate with the standing timber we possess?

The government wisely wish to act in accordance with the mature judgment of the people—this judgment being founded on the facts. Believing this I submit my views, and ask the co-operation of others, and especially of those in the lumber trade, that the best results may be attained.

E. W. RATHBUN.